United States Department of Agriculture

Grain Transportation Report

A weekly publication of the Agricultural Marketing Service
www.ams.usda.gov/GTR

Contact Us

August 30, 2018

Contents

The next release is September 6, 2018

WEEKLY HIGHLIGHTS

Corn and Soybeans Boost Total Grain Inspections

For the week ending August 23, **total inspections of grain** (corn, wheat, and soybeans) for export from all major U.S. export regions reached 2.69 million metric tons (mmt); up 18 percent from the previous week, up 16 percent from last year, and 23 percent above the 3-year average. The increase in total inspections is primarily attributed to a 14 percent increase in corn inspections and a 39 percent jump in soybean inspections. Soybean inspections were the highest since early March, with increased shipments to Asia and Latin America. Inspections of wheat, however, were unchanged from the previous week. Grain inspections increased 27 percent, from the previous week, in the Pacific Northwest (PNW) and 17 percent in the Mississippi Gulf. Outstanding (unshipped) export sales were down for corn, wheat, and soybeans.

The U.S. Army Corps of Engineers Hosts Olmsted Locks and Dam Ribbon Cutting Ceremony on August 30

After over 30 years of planning and construction, one of the most important segments of the U.S. inland waterway system—Olmsted Locks and Dam (L&D)—has been completed. The U.S. Army Corps of Engineers (Corps) Louisville District held a ribbon-cutting ceremony from 10 am to 11 am (Central Standard Time) at the Olmsted L&D, located at 567 New Dam Road Olmsted, IL. Olmsted L&D is sited on a strategic reach of the Ohio River that provides a connection between the Mississippi, Tennessee, and Cumberland rivers. The project, officially called the *Locks and Dams 52 and 53 Replacement Project,* consists of two 110-foot wide by 1,200-feet long locks, adjacent to the Illinois side of the river, and a dam that spans the river and connects with Kentucky. From 2013 to 2017, Ohio River L&D 52 handled, on average, about 78.2 million tons per year. During that time, corn, soybeans, fertilizers, feed products, wheat, and other agricultural products represent about 22 percent of all tonnages handled by Ohio River L&D 52 See the Grain Transportation Report August 23, 2018 issue for more details.

FMCSA to Consider Revising Certain HOS Provisions

On August 23, the Federal Motor Carrier Safety Administration (FMCSA) issued an advance notice of proposed rulemaking to consider revising some of the rules governing hours-of-service (HOS) regulations. The introduction of electronic logging devices, used to accurately record compliance with HOS regulations for drivers of commercial motor vehicles, prompted numerous requests from Congress and the public for FMCSA to consider revising certain HOS provisions. To address these requests, FMCSA seeks public input in four specific areas: The short-haul HOS limit; the HOS exception for adverse driving conditions; the 30-minute rest break provision; and the sleeper berth rule to allow drivers to split their required time in the sleeper berth. In addition, the Agency seeks public comment on petitions for rulemaking from the Owner-Operator Independent Drivers Association and TruckerNation.org. Comments are due on or before September 24, 2018.

Snapshots by Sector

Export Sales

For the week ending August 16, **unshipped balances** of wheat, corn, and soybeans totaled 14.2 mmt, up 19 percent from the same time last year. Net weekly **wheat export sales** were .240 mmt, down 70 percent from the previous week. Net **corn export sales** were .173 mmt, down 49 percent from the previous week. Net **soybean export sales** were .153 mmt, up significantly from the previous week.

Rail

U.S. Class I railroads originated 23,404 **grain carloads** for the week ending August 18, up 8 percent from the previous week, 31 percent from last year, and 12 percent from the 3-year average.

Average September shuttle **secondary railcar** bids/offers per car were $63 below tariff for the week ending August 23, down $119 from last week, and $277 lower than last year. Average non-shuttle secondary railcar bids/offers per car were $200 above tariff, down $19 from last week. There were no non-shuttle bids/offers this week last year.

Barge

For the week ending August 25, **barge grain movements** totaled 877,454 tons, 23 percent higher than the previous week and down 3 percent from the same period last year.

For the week ending August 25, 570 grain barges **moved down river**, 129 barges more than the previous week. There were 750 grain barges **unloaded in New Orleans**, 3 percent higher than the previous week.

Ocean

For the week ending August 23, 34 **ocean-going grain vessels** were loaded in the Gulf, 6 percent less than the same period last year. Fifty vessels are expected to be loaded within the next 10 days, 11 percent more than the same period last year.

For the week ending August 23, the ocean freight rate for shipping bulk grain, from the Gulf to Japan, was $46.00 per metric ton, up 2 percent from the previous week. The cost of shipping, from the PNW to Japan, was $25.00 per metric ton, up 1 percent from the previous week.

Fuel

For the week ending August 27, the **U.S. average diesel fuel price** increased 1.9 cents, from the previous week, to $3.226 per gallon, 62.1 cents above the same week last year.

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Feature Article/Calendar

Transportation Costs Up for Waterborne Corn and Soybeans Shipped to Mexico

Increases in barge and ocean freight rates from the previous quarter pushed up the costs of shipping corn and soybeans, from Illinois to Veracruz, Mexico, through the U.S. Gulf, during the second quarter of 2018. The transportation costs to Veracruz, Mexico, increased by 7 percent, for shipping corn and soybeans, but were relatively unchanged from the previous quarter for shipping wheat, via the water route (see table). Similarly, the transportation costs of shipping corn, soybeans, and wheat to Guadalajara, Mexico by land remained unchanged during the second quarter, compared to the previous quarter (see table).

Quarterly costs of transporting U.S. grain to Veracruz and Guadalajara, Mexico

	Water route (to Veracruz) $/metric ton					Land route (to Guadalajara) $/metric ton				
	2017 2nd qtr.	2018 1st qtr.	2018 2nd qtr.	Percent change Yr. to Yr.	Percent change Qtr. to Qtr.	2017 2nd qtr.	2018 1st qtr.	2018 2nd qtr.	Percent change Yr. to Yr.	Percent change Qtr. to Qtr.
Corn										
Origin			IL					IA		
Truck	12.30	13.87	12.06	-2.0	-13.0	4.30	4.94	4.66	8.4	-5.7
Rail [1]						85.85	87.60	87.96	2.5	0.4
Barge	13.76	20.97	26.29	91.1	25.4					
Ocean[2]	12.95	13.97	14.07	8.6	0.7					
Total transportation cost[3]	39.01	48.81	52.42	34.4	7.4	90.15	92.54	92.62	2.7	0.1
Farm Value[4]	138.84	136.21	143.69	3.5	5.5	132.28	131.23	139.49	5.5	6.3
Landed Cost[5]	177.85	185.02	196.11	10.3	6.0	222.43	223.77	232.11	4.4	3.7
Transport % of landed cost	22	26	27			41	41	40		
Soybeans										
Origin			IL					NE		
Truck	12.30	13.87	12.06	-2.0	-13.0	4.30	4.94	4.66	8.4	-5.7
Rail						93.71	91.51	91.88	-2.0	0.4
Barge	13.76	20.97	26.29	91.1	25.4					
Ocean	12.95	13.97	14.07	8.6	0.7					
Total transportation cost	39.01	48.81	52.42	34.4	7.4	98.01	96.45	96.54	-1.5	0.1
Farm Value	347.11	359.48	364.86	5.1	1.5	325.06	341.72	352.86	8.6	3.3
Landed Cost	386.12	408.29	417.28	8.1	2.2	423.07	438.17	449.40	6.2	2.6
Transport % of landed cost	10	12	13			23	22	21		
Wheat										
Origin			KS					KS		
Truck	4.30	4.94	4.66	8.4	-5.7	4.30	4.94	4.66	8.4	-5.7
Rail	40.76	41.42	41.83	2.6	1.0	76.47	77.75	78.02	2.0	0.3
Ocean	12.95	13.97	14.07	8.6	0.7					
Total transportation cost	58.01	60.33	60.56	4.4	0.4	80.77	82.69	82.68	2.4	0.0
Farm Value	134.36	155.92	175.02	30.3	12.2	134.36	155.92	175.02	30.3	12.2
Landed Cost	192.37	216.25	235.58	22.5	8.9	215.13	238.61	257.70	19.8	8.0
Transport % of landed cost	30	28	26			38	35	32		

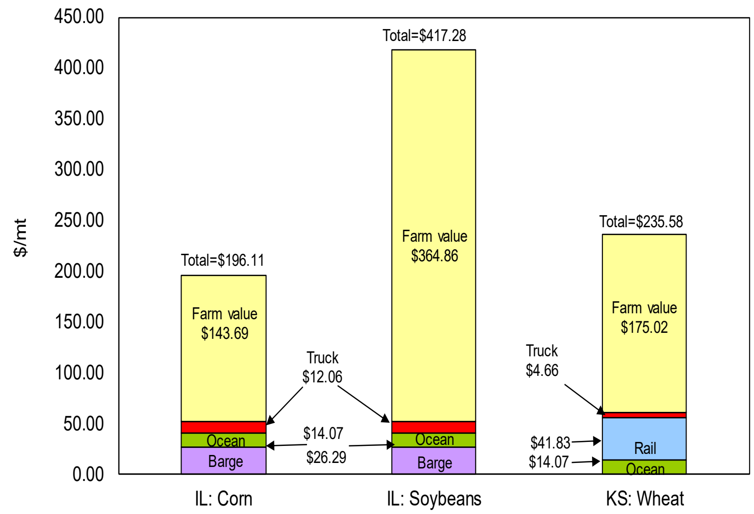
[1]Rail rates include U.S. and Mexico portions of the movement. Mexico rail rates are estimated based on actual quoted market rates. BNSF and Union Pacific quoted rail tariff rates are through rates for shuttle trains. Rail rates include fuel surcharges, but do not include the cost of purchasing empty rail cars in the secondary market, which could exceed the rail tariff rate plus fuel surcharge shown in the table.
[2]Source: O'Neil Commodity Consulting
[3]Transportation costs for Kansas wheat transported via water route were revised from previous estimates
[4]Source: USDA/NASS
[5]Landed cost is total transportation cost plus farm value

Despite a reduction in truck rates during the quarter, a significant increase in barge rates, coupled with a modest increase in ocean freight rates, pushed up the transportation costs for waterborne corn and soybeans. Barge rates have increased due to increased demand for dry cargo (both up and down bound), high water conditions, and delays caused by lock repairs.

Generally, farm values for all the grains improved remarkably during the quarter with the wheat value increasing 12 percent, the corn value increasing about 6 percent, and the soybean value increasing between 2 to 3 percent from quarter to quarter. The farm values ranged from $144 to $365 per metric ton (mt) for the water route (see table and figure 1), and $139 to $353 per mt for the land route (see table and figure 2). The increase in farm values caused an overall increase in quarter-to-quarter landed costs. The landed costs ranged from $196 to $417 per mt for the water route (see table and figure 1), and $232 to $449 per mt for the land route (see table and figure 2). Year-to-year farm values and landed costs also increased for all the grains. The transportation share of the landed costs increased 1 percent for waterborne corn and soybeans, and decreased by a similar magnitude for corn and soybeans shipped through the land route, compared to the previous quarter (see table). The transportation share of the wheat landed costs decreased 2 percent for the water route and 3 percent for the land route.

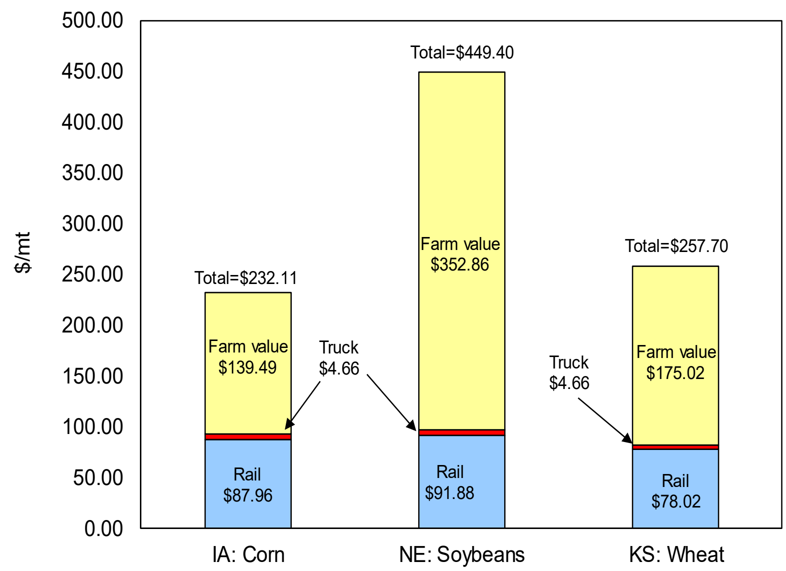
According to USDA's Grain Inspection, Packers and Stockyards Administration, second quarter corn and soybeans inspected, for export to Mexico, were 3.93 and 1.15 million metric tons (mmt), up 1 and 40 percent, respectively, from last year. However, second quarter wheat inspected, for export to Mexico at .58 mmt, was down 37 percent from the same period last year. So far, year-to-date corn and soybean inspections destined for Mexico have surpassed last year, while year-to-date wheat inspections are below last year. Lower or moderate transportation costs could boost the competitiveness of U.S. exports to Mexico. surajudeen.olowolayemo@ams.usda.gov

Figure 1. Water route shipment costs ($/mt) to Veracruz, Mexico



Source: USDA, Agricultural Marketing Service

Figure 2. Land route shipment costs ($/mt) to Guadalajara, Mexico



Source: USDA, Agricultural Marketing Service

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

For the week ending	Truck	Rail: Unit Train	Rail: Shuttle	Barge	Ocean: Gulf	Ocean: Pacific
08/29/18	217	289	213	329	206	177
08/22/18	215	290	218	258	201	176

[1]Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = near-month secondary rail market bid and monthly tariff rate with fuel surcharge ($/car); barge = Illinois River barge rate (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

Source: Transportation & Marketing Programs/AMS/USDA

Table 2

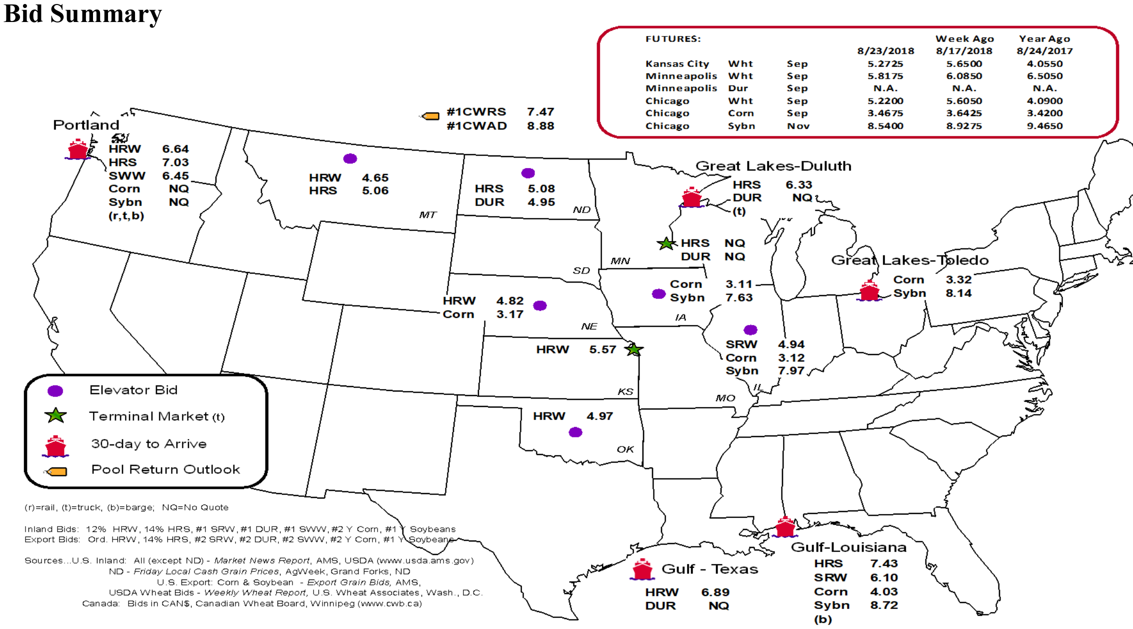
Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

Commodity	Origin--Destination	8/23/2018	8/17/2018
Corn	IL--Gulf	-0.91	-0.86
Corn	NE--Gulf	-0.86	-0.84
Soybean	IA--Gulf	-1.09	-1.05
HRW	KS--Gulf	-1.32	-1.15
HRS	ND--Portland	-1.95	-1.93

Note: nq = no quote; n/a = not available
Source: Transportation & Marketing Programs/AMS/USDA

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1
Grain Bid Summary



Rail Transportation

Table 3
Rail Deliveries to Port (carloads)[1]

For the Week Ending	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf	Total	Week ending	Cross-Border Mexico[3]
08/22/2018[p]	561	295	5,921	0	6,777	8/18/2018	2,388
08/15/2018[r]	655	590	5,009	43	6,297	8/11/2018	2,067
2018 YTD[r]	13,522	35,569	222,273	13,745	285,109	2018 YTD	77,681
2017 YTD[r]	16,850	57,756	192,929	12,838	280,373	2017 YTD	77,797
2018 YTD as % of 2017 YTD	80	62	115	107	102	% change YTD	100
Last 4 weeks as % of 2017[2]	165	50	126	103	112	Last 4wks % 2017	116
Last 4 weeks as % of 4-year avg.[2]	115	42	127	88	106	Last 4wks % 4 yr	131
Total 2017	28,796	76,545	289,178	21,999	416,518	Total 2017	119,661
Total 2016	36,925	88,035	299,604	29,007	453,571	Total 2016	92,982

[1] Data is incomplete as it is voluntarily provided

[2] Compared with same 4-weeks in 2017 and prior 4-year average.

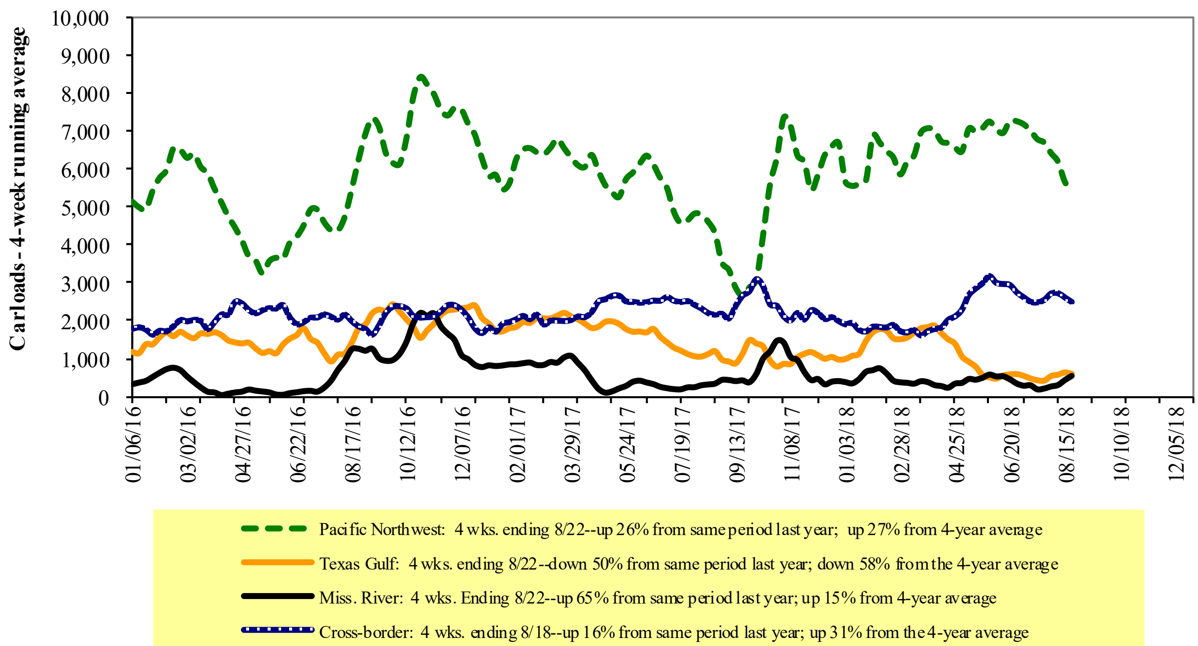
[3] Cross-border weekly data is approximately 15 percent below the Association of American Railroads' reported weekly carloads received by Mexican railroads to reflect switching between KCSM and Grupo Mexico.

YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 24 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2
Rail Deliveries to Port



Source: Transportation & Marketing Programs/AMS/USDA

Table 4

Class I Rail Carrier Grain Car Bulletin (grain carloads originated)

For the week ending:	East		West			U.S. total	Canada	
8/18/2018	CSXT	NS	BNSF	KCS	UP		CN	CP
This week	1,897	2,945	12,547	750	5,265	23,404	3,628	4,599
This week last year	1,090	2,265	8,212	769	5,577	17,913	4,033	4,822
2018 YTD	64,428	85,205	412,093	31,718	172,798	766,242	124,694	153,117
2017 YTD	55,899	91,610	370,620	30,898	191,139	740,166	124,657	148,948
2018 YTD as % of 2017 YTD	115	93	111	103	90	104	100	103
Last 4 weeks as % of 2017*	152	114	127	97	106	120	106	107
Last 4 weeks as % of 3-yr avg.**	128	109	110	104	97	108	103	101
Total 2017	89,465	142,826	578,964	50,223	289,574	1,151,052	198,503	244,766

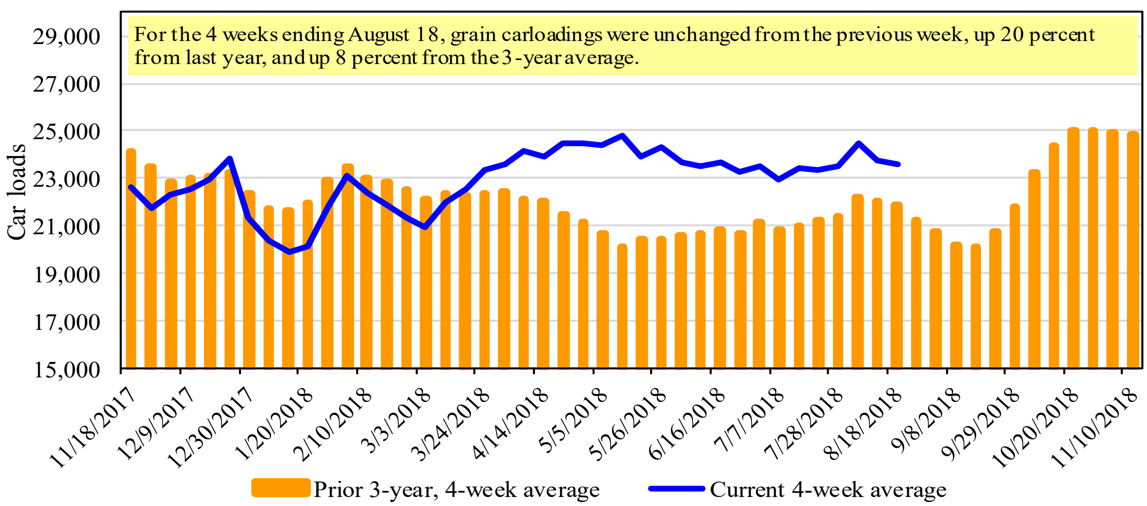
*The past 4 weeks of this year as a percent of the same 4 weeks last year.

**The past 4 weeks as a percent of the same period from the prior 3-year average. YTD = year-to-date.

Source: Association of American Railroads (www.aar.org)

Figure 3

Total Weekly U.S. Class I Railroad Grain Car Loadings



Source: Association of American Railroads

Table 5

Railcar Auction Offerings[1] ($/car)[2]

For the week ending:		Delivery period							
8/23/2018		Sep-18	Sep-17	Oct-18	Oct-17	Nov-18	Nov-17	Dec-18	Dec-17
BNSF[3]	COT grain units	5	no bids	0	0	0	0	0	no bids
	COT grain single-car[5]	102	0	116	0	106	0	111	0
UP[4]	GCAS/Region 1	no offer	no bids	no offer	no bids	no offer	no bids	n/a	n/a
	GCAS/Region 2	no offer	10	no offer	10	no offer	no bids	n/a	n/a

[1]Auction offerings are for single-car and unit train shipments only.

[2]Average premium/discount to tariff, last auction

[3]BNSF - COT = Certificate of Transportation; north grain and south grain bids were combined effective the week ending 6/24/06.

[4]UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

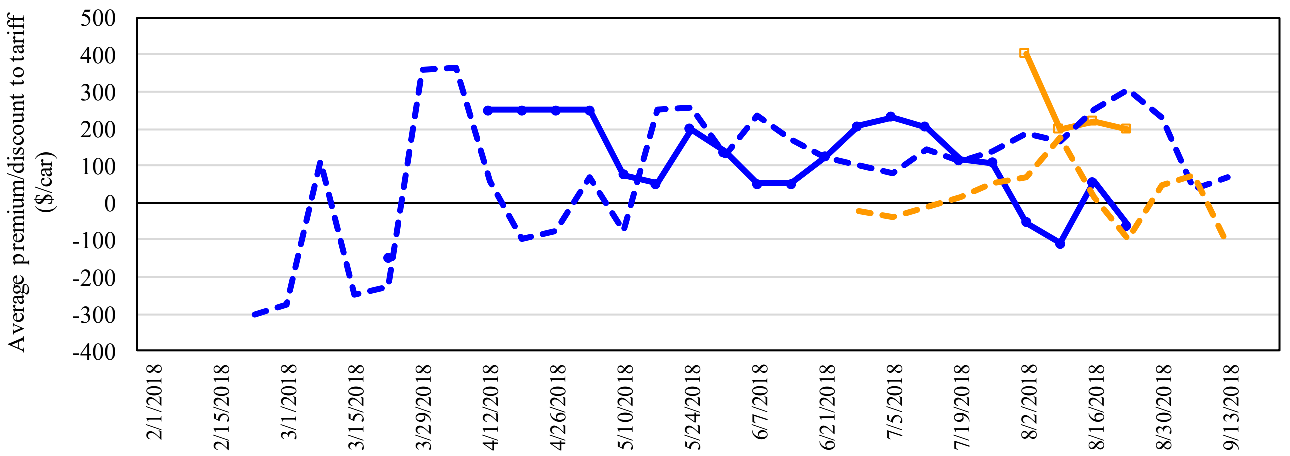
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

[5]Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/ supply.

Figure 4
Bids/Offers for Railcars to be Delivered in September 2018, Secondary Market

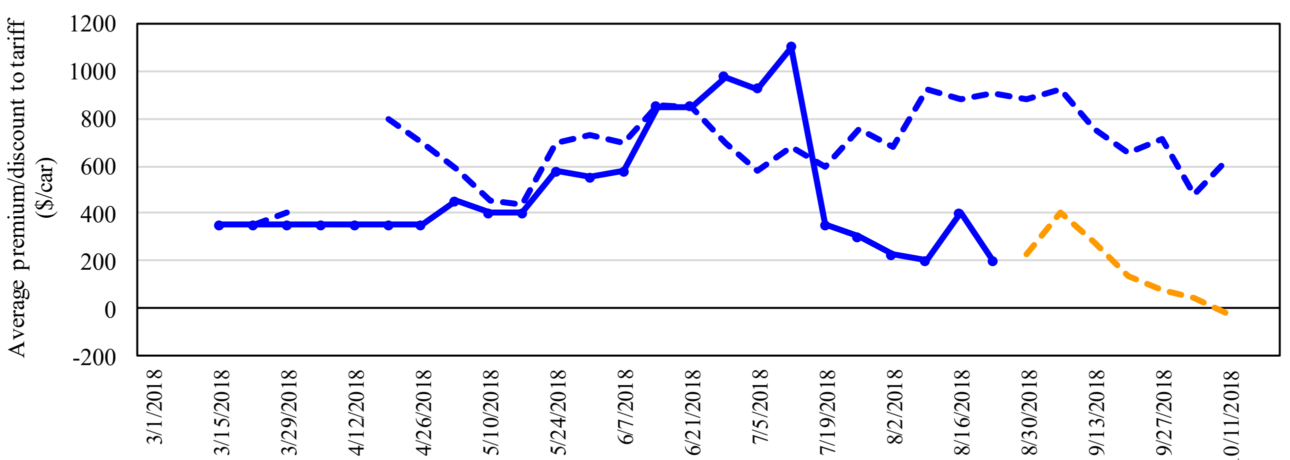


8/23/2018	BNSF	UP
Non-Shuttle	$100	$300
Shuttle	n/a	-$63

Average Non-shuttle bids/offers fell $19 this week, and are $200 below the peak.
Average Shuttle bids/offers fell $119 this week and are $313 below the peak.

Non-shuttle bids include unit-train and single-car bids. n/a = not available.
Source: Transportation & Marketing Programs/AMS/USDA

Figure 5
Bids/Offers for Railcars to be Delivered in October 2018, Secondary Market



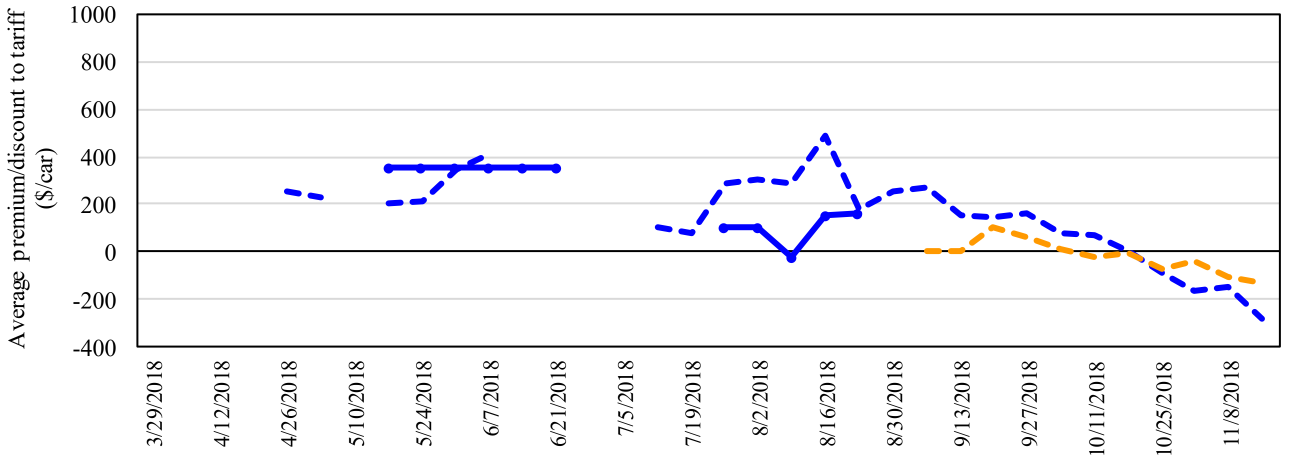
8/23/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	n/a	$200

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers fell $200 this week and are $900 below the peak.

Non-shuttle bids include unit-train and single-car bids. n/a = not available.
Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in November 2018, Secondary Market



8/23/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	$267	$50

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers rose $8 this week and are $192 below the peak.

Non-shuttle bids include unit-train and single-car bids. n/a = not available.
Source: Transportation & Marketing Programs/AMS/USDA

Table 6

Weekly Secondary Railcar Market ($/car)[1]

	For the week ending: 8/23/2018	Delivery period					
		Sep-18	**Oct-18**	**Nov-18**	**Dec-18**	**Jan-19**	**Feb-19**
Non-shuttle	**BNSF-GF**	**100**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
	Change from last week	(75)	n/a	n/a	n/a	n/a	n/a
	Change from same week 2017	n/a	n/a	n/a	n/a	n/a	n/a
	UP-Pool	**300**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
	Change from last week	37	n/a	n/a	n/a	n/a	n/a
	Change from same week 2017	n/a	n/a	n/a	n/a	n/a	n/a
Shuttle	**BNSF-GF**	**n/a**	**n/a**	**267**	**267**	**n/a**	**n/a**
	Change from last week	n/a	n/a	17	17	n/a	n/a
	Change from same week 2017	n/a	n/a	67	383	n/a	n/a
	UP-Pool	**(63)**	**200**	**50**	**50**	**n/a**	**n/a**
	Change from last week	25	(100)	0	0	n/a	n/a
	Change from same week 2017	(138)	(100)	(75)	150	n/a	n/a

[1]Average premium/discount to tariff, $/car-last week

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,
n/a = not available; GF = guaranteed freight; Pool = guaranteed pool
Sources: Transportation and Marketing Programs/AMS/USDA
Data from James B. Joiner Co., Tradewest Brokerage Co.

The **tariff rail rate** is the base price of freight rail service, and together with **fuel surcharges** and any **auction and secondary rail** values constitute the full cost of shipping by rail. Typically, auction and secondary rail values are a small fraction of the full cost of shipping by rail relative to the tariff rate. High auction and secondary rail values, during times of high rail demand or short supply, can exceed the cost of the tariff rate plus fuel surcharge.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments[1]

August, 2018	Origin region[3]	Destination region[3]	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per: metric ton	Tariff plus surcharge per: bushel[2]	Percent change Y/Y[4]
Unit train							
Wheat	Wichita, KS	St. Louis, MO	$3,983	$121	$40.76	$1.11	4
	Grand Forks, ND	Duluth-Superior, MN	$4,268	$0	$42.38	$1.15	3
	Wichita, KS	Los Angeles, CA	$7,175	$0	$71.25	$1.94	2
	Wichita, KS	New Orleans, LA	$4,540	$214	$47.21	$1.28	3
	Sioux Falls, SD	Galveston-Houston, TX	$6,911	$0	$68.63	$1.87	2
	Northwest KS	Galveston-Houston, TX	$4,816	$234	$50.15	$1.36	3
	Amarillo, TX	Los Angeles, CA	$5,121	$326	$54.09	$1.47	6
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,931	$241	$41.43	$1.05	11
	Toledo, OH	Raleigh, NC	$6,344	$0	$63.00	$1.60	5
	Des Moines, IA	Davenport, IA	$2,258	$51	$22.93	$0.58	1
	Indianapolis, IN	Atlanta, GA	$5,446	$0	$54.08	$1.37	5
	Indianapolis, IN	Knoxville, TN	$4,540	$0	$45.08	$1.15	5
	Des Moines, IA	Little Rock, AR	$3,609	$150	$37.33	$0.95	5
	Des Moines, IA	Los Angeles, CA	$5,327	$438	$57.24	$1.45	7
Soybeans	Minneapolis, MN	New Orleans, LA	$4,131	$238	$43.39	$1.18	18
	Toledo, OH	Huntsville, AL	$5,287	$0	$52.50	$1.43	5
	Indianapolis, IN	Raleigh, NC	$6,460	$0	$64.15	$1.75	5
	Indianapolis, IN	Huntsville, AL	$4,764	$0	$47.31	$1.29	5
	Champaign-Urbana, IL	New Orleans, LA	$4,745	$241	$49.52	$1.35	9
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$4,078	$0	$40.50	$1.10	3
	Wichita, KS	Galveston-Houston, TX	$4,296	$0	$42.66	$1.16	3
	Chicago, IL	Albany, NY	$5,663	$0	$56.24	$1.53	3
	Grand Forks, ND	Portland, OR	$5,736	$0	$56.96	$1.55	2
	Grand Forks, ND	Galveston-Houston, TX	$6,056	$0	$60.14	$1.64	2
	Northwest KS	Portland, OR	$5,912	$384	$62.52	$1.70	6
Corn	Minneapolis, MN	Portland, OR	$5,000	$0	$49.65	$1.26	0
	Sioux Falls, SD	Tacoma, WA	$4,960	$0	$49.26	$1.25	0
	Champaign-Urbana, IL	New Orleans, LA	$3,731	$241	$39.45	$1.00	11
	Lincoln, NE	Galveston-Houston, TX	$3,700	$0	$36.74	$0.93	0
	Des Moines, IA	Amarillo, TX	$3,970	$189	$41.30	$1.05	5
	Minneapolis, MN	Tacoma, WA	$5,000	$0	$49.65	$1.26	0
	Council Bluffs, IA	Stockton, CA	$4,820	$0	$47.86	$1.22	2
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,600	$0	$55.61	$1.51	0
	Minneapolis, MN	Portland, OR	$5,650	$0	$56.11	$1.53	0
	Fargo, ND	Tacoma, WA	$5,500	$0	$54.62	$1.49	0
	Council Bluffs, IA	New Orleans, LA	$4,775	$278	$50.18	$1.37	9
	Toledo, OH	Huntsville, AL	$4,352	$0	$43.22	$1.18	3
	Grand Island, NE	Portland, OR	$5,710	$393	$60.60	$1.65	9

[1]A unit train refers to shipments of at least 25 cars. Shuttle train rates are generally available for qualified shipments of 75-120 cars that meet railroad efficiency requirements.

[2]Approximate load per car = 111 short tons (100.7 metric tons): corn 56 lbs./bu., wheat and soybeans 60 lbs./bu.

[3]Regional economic areas are defined by the Bureau of Economic Analysis (BEA)

[4]Percentage change year over year calculated using tariff rate plus fuel surcharge

Sources: www.bnsf.com, www.cn.ca, www.csx.com, www.up.com

Table 8

Tariff Rail Rates for U.S. Bulk Grain Shipments to Mexico

Commodity	Origin state	Destination region	Tariff rate/car[1]	Fuel surcharge per car[2]	Tariff plus surcharge per: metric ton[3]	bushel[3]	Percent change[4] Y/Y
Date: August, 2018							
Wheat	MT	Chihuahua, CI	$7,284	$0	$74.43	$2.02	-2
	OK	Cuautitlan, EM	$6,743	$167	$70.61	$1.92	3
	KS	Guadalajara, JA	$7,371	$362	$79.01	$2.15	2
	TX	Salinas Victoria, NL	$4,292	$101	$44.89	$1.22	1
Corn	IA	Guadalajara, JA	$8,313	$338	$88.39	$2.24	3
	SD	Celaya, GJ	$7,700	$0	$78.68	$2.00	2
	NE	Queretaro, QA	$8,013	$343	$85.39	$2.17	4
	SD	Salinas Victoria, NL	$6,743	$0	$68.90	$1.75	2
	MO	Tlalnepantla, EM	$7,379	$335	$78.82	$2.00	4
	SD	Torreon, CU	$7,300	$0	$74.59	$1.89	2
Soybeans	MO	Bojay (Tula), HG	$8,134	$314	$86.32	$2.35	-5
	NE	Guadalajara, JA	$8,692	$345	$92.33	$2.51	-1
	IA	El Castillo, JA	$8,960	$0	$91.55	$2.49	0
	KS	Torreon, CU	$7,489	$258	$79.15	$2.15	2
Sorghum	NE	Celaya, GJ	$7,345	$316	$78.27	$1.99	4
	KS	Queretaro, QA	$7,819	$209	$82.03	$2.08	4
	NE	Salinas Victoria, NL	$6,452	$168	$67.63	$1.72	5
	NE	Torreon, CU	$6,790	$250	$71.93	$1.83	5

[1]Rates are based upon published tariff rates for high-capacity shuttle trains. Shuttle trains are available for qualified shipments of 75--110 cars that meet railroad efficiency requirements.

[2]Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V railroad fuel surcharge policy as of 10/01/2009

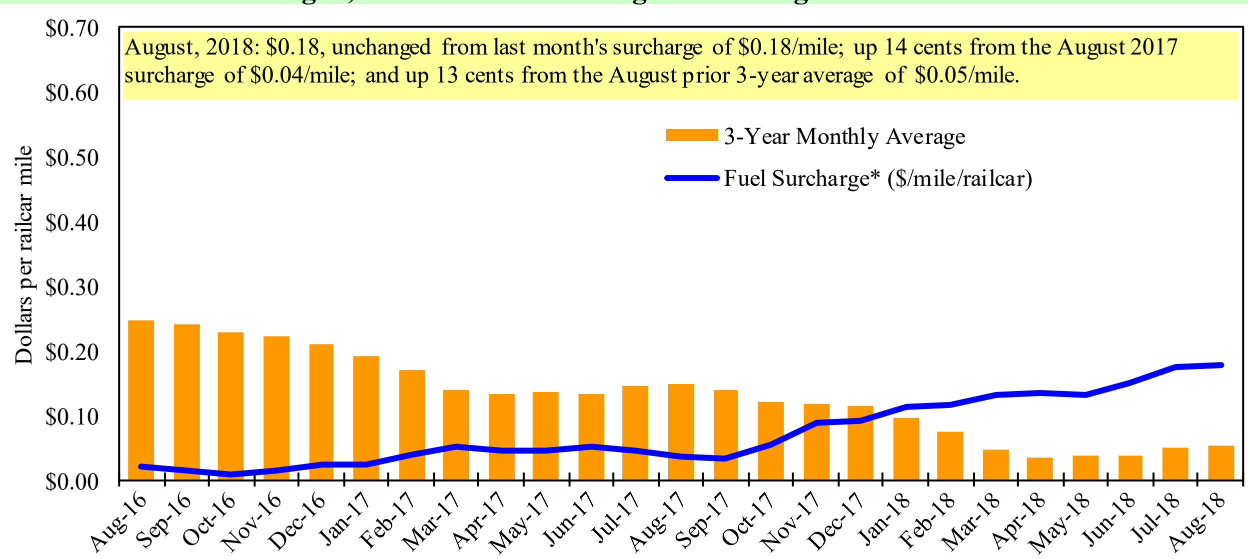
[3]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[4]Percentage change calculated using tariff rate plus fuel surchage

Sources: www.bnsf.com, www.uprr.com, www.kcsouthern.com

Figure 7

Railroad Fuel Surcharges, North American Weighted Average[1]

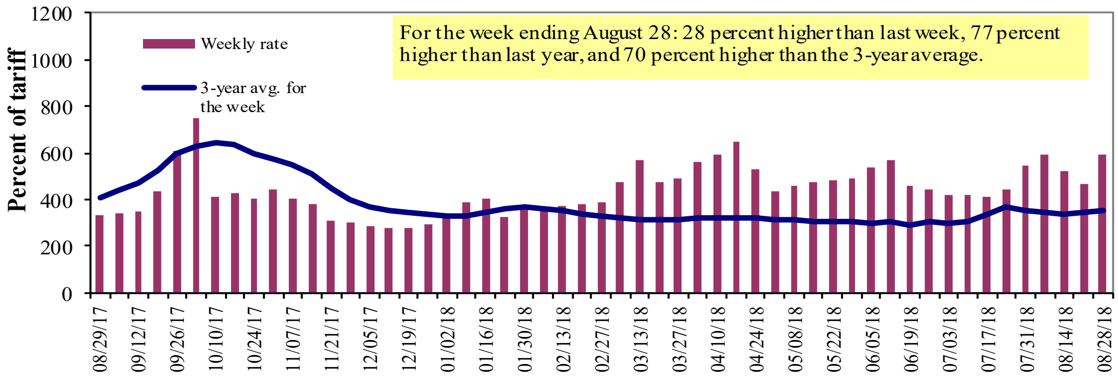


[1] Weighted by each Class I railroad's proportion of grain traffic for the prior year.
* Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.
**CSX strike price changed from $2.00/gal. to $3.75/gal. starting January 1, 2015.
Sources: www.bnsf.com, www.cn.ca, www.cpr.ca, www.csx.com, www.kcsi.com, www.nscorp.com, www.uprr.com

Barge Transportation

Figure 8

Illinois River Barge Freight Rate[1,2]



[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average of the 3-year average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate[1]	8/28/2018	595	603	593	452	578	578	445
	8/21/2018	508	470	465	325	408	408	320
$/ton	8/28/2018	36.83	32.08	27.52	18.03	27.11	23.35	13.97
	8/21/2018	31.45	25.00	21.58	12.97	19.14	16.48	10.05
Current week % change from the same week:								
	Last year	54	80	77	96	94	94	117
	3-year avg. [2]	42	68	70	72	91	91	78
Rate[1]	September	605	602	595	490	592	592	507
	November	548	465	458	375	440	440	348

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average; ton = 2,000 pounds;

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9
Benchmark tariff rates

Calculating barge rate per ton:
(Rate * 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map.

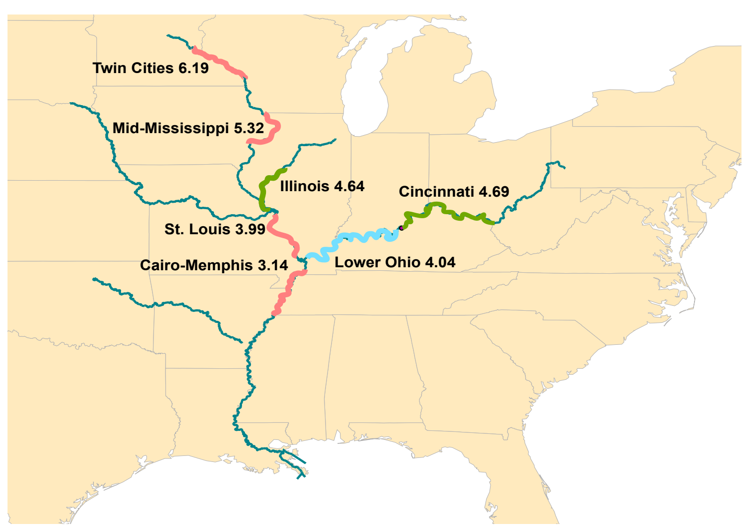
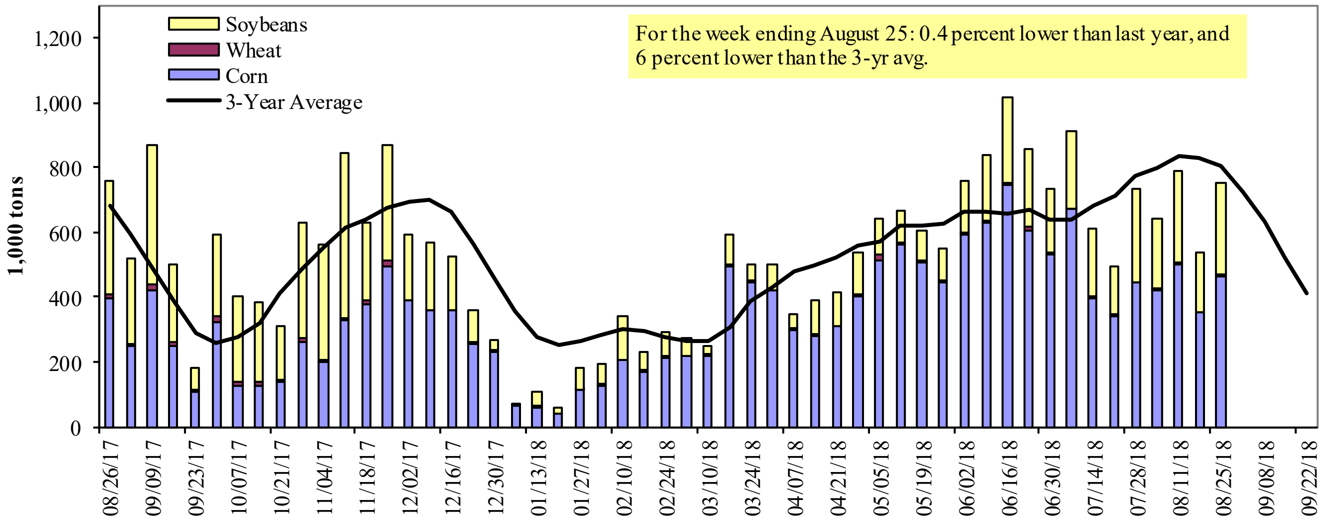


Figure 10

Barge Movements on the Mississippi River[1] (Locks 27 - Granite City, IL)



[1] The 3-year average is a 4-week moving average.

Source: U.S. Army Corps of Engineers

Table 10

Barge Grain Movements (1,000 tons)

For the week ending 08/25/2018	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	214	10	191	0	415
Winfield, MO (L25)	387	3	217	0	607
Alton, IL (L26)	481	3	295	0	779
Granite City, IL (L27)	466	3	285	0	754
Illinois River (L8)	97	0	66	0	163
Ohio River (L52)	50	18	31	4	103
Arkansas River (L1)	0	19	2	0	21
Weekly total - 2018	516	40	318	4	877
Weekly total - 2017	419	75	398	13	905
2018 YTD[1]	15,911	1,219	7,973	86	25,189
2017 YTD	16,521	1,722	8,985	216	27,443
2018 as % of 2017 YTD	96	71	89	40	92
Last 4 weeks as % of 2017[2]	114	60	71	61	90
Total 2017	22,242	2,210	16,123	360	40,936

[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

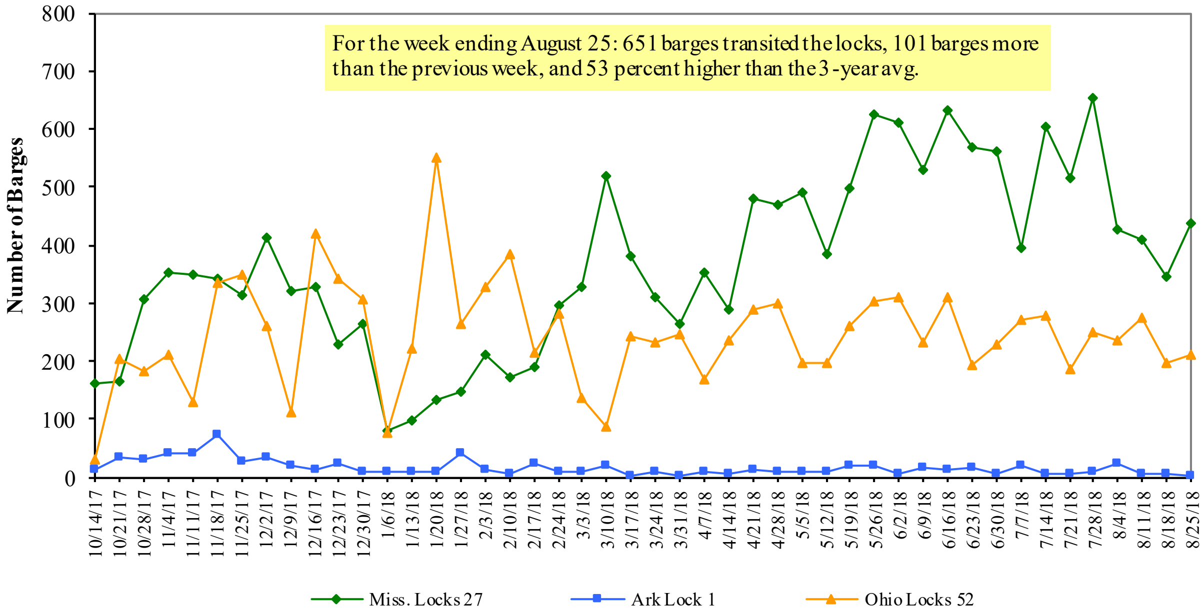
[2] As a percent of same period in 2017.

Note: Total may not add exactly, due to rounding.

Source: U.S. Army Corps of Engineers

Figure 11

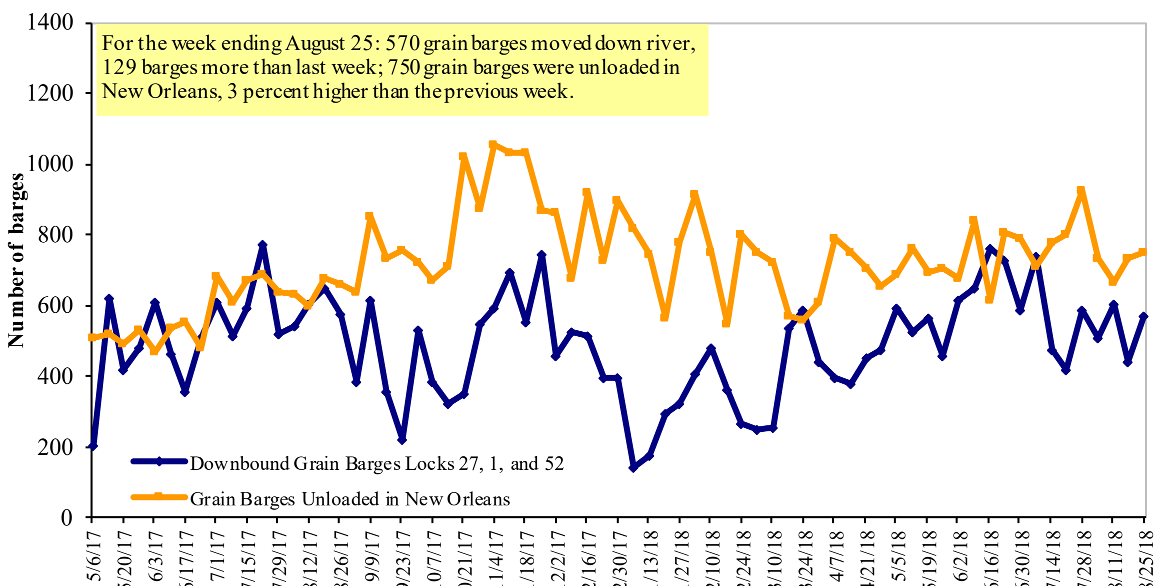
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



Source: U.S. Army Corps of Engineers

Figure 12

Grain Barges for Export in New Orleans Region



Source: U.S. Army Corps of Engineers and GIPSA

Truck Transportation

The **weekly diesel price** provides a proxy for trends in U.S. truck rates as diesel fuel is a significant expense for truck grain movements.

Table 11

Retail on-Highway Diesel Prices, Week Ending 8/27/2018 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.219	0.012	0.596
	New England	3.267	0.006	0.649
	Central Atlantic	3.385	0.005	0.627
	Lower Atlantic	3.094	0.018	0.566
II	Midwest[2]	3.153	0.024	0.587
III	Gulf Coast[3]	3.004	0.023	0.576
IV	Rocky Mountain	3.364	0.015	0.647
V	West Coast	3.719	0.013	0.809
	West Coast less California	3.433	0.010	0.627
	California	3.945	0.016	0.950
Total	U.S.	3.226	0.019	0.621

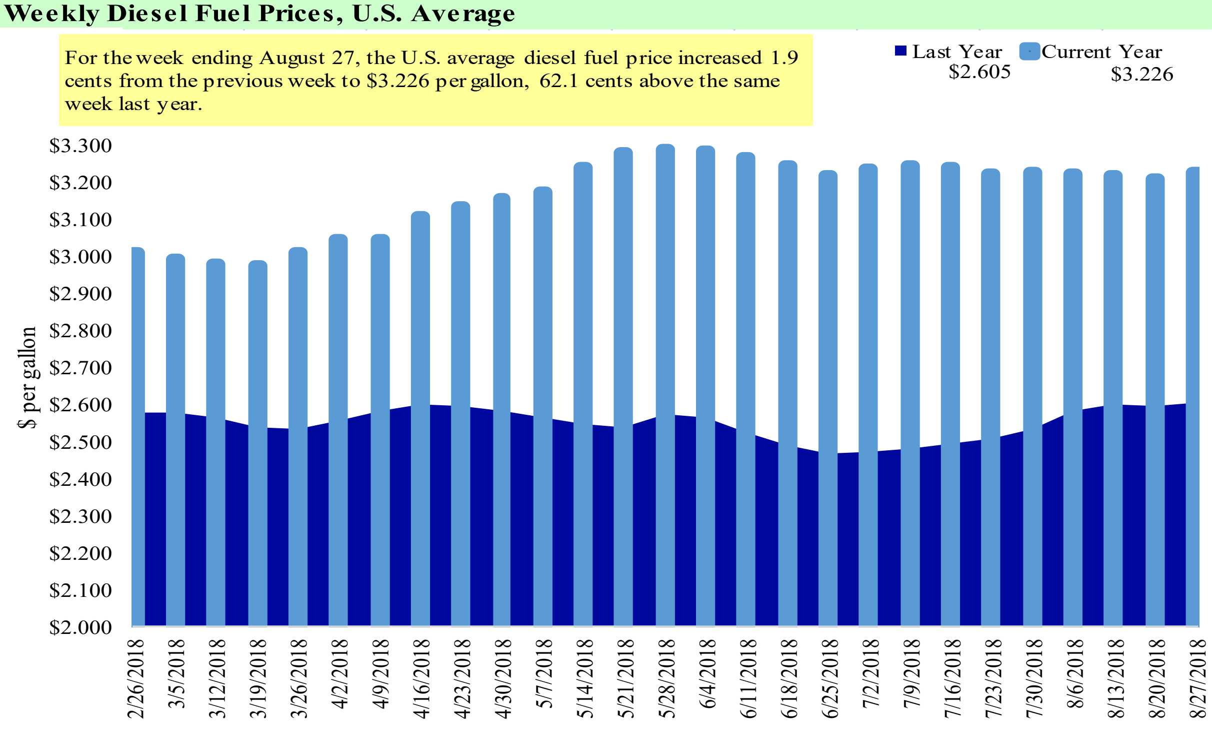
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[2]Same as North Central [3]Same as South Central

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



Source: Retail On-Highway Diesel Prices, Energy Information Administration, Dept. of Energy

Grain Exports

Table 12

U.S. Export Balances and Cumulative Exports (1,000 metric tons)

For the week ending	HRW	SRW	HRS	SWW	DUR	All wheat	Corn	Soybeans	Total
	Wheat								
Export Balances[1]									
8/16/2018	1,274	540	1,384	942	153	4,293	5,709	4,244	14,246
This week year ago	1,610	566	1,474	1,372	99	5,121	2,860	4,006	11,987
Cumulative exports-marketing year[2]									
2017/18 YTD	1,188	544	1,233	1,259	39	4,264	54,725	54,518	113,506
2016/17 YTD	2,583	581	1,668	1,491	104	6,427	53,716	56,714	116,856
YTD 2017/18 as % of 2016/17	46	94	74	84	38	66	102	96	97
Last 4 wks as % of same period 2016/17	68	95	94	83	153	84	253	124	138
2016/17 Total	11,096	2,285	7,923	4,254	484	26,042	41,864	51,156	119,062
2015/16 Total	5,538	3,057	6,285	3,551	670	19,101	45,564	49,821	114,486

[1] Current unshipped (outstanding) export sales to date

[2] Shipped export sales to date; new marketing year now in effect for wheat

Note: YTD = year-to-date. Marketing Year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 13

Top 5 Importers[1] of U.S. Corn

For the week ending 8/16/2018	Total Commitments[2] 2018/19 Next MY	2017/18 Current MY	2016/17 Last MY	% change current MY from last MY	Exports[3] 3-year avg 2014-2016
		- 1,000 mt -			
Mexico	3,352	15,323	13,941	10	12,297
Japan	1,505	11,894	12,102	(2)	11,450
Korea	848	5,913	5,717	3	4,494
Colombia	152	4,876	4,329	13	4,179
Peru	72	3,242	3,157	3	2,693
Top 5 Importers	**5,929**	**41,248**	**39,246**	**5**	**35,113**
Total US corn export sales	**9,913**	**60,434**	**56,576**	**7**	**49,308**
% of Projected	17%	99%	97%		
Change from prior week[2]	**1,055**	**173**	**102**		
Top 5 importers' share of U.S. corn export sales	60%	68%	69%		71%
USDA forecast, August 2018	**59,796**	**61,069**	**58,372**	**5**	
Corn Use for Ethanol USDA forecast, August 2018	**142,875**	**142,240**	**137,973**	**3**	

(n) indicates negative number.

[1]Based on FAS Marketing Year Ranking Reports for 2016/17 - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--http://www.fas.usda.gov/esrquery/. Total commitments change (net sales) from prior week could include revisions from previous week's outstanding sales or accumulated sales.

[3]FAS Marketing Year Ranking Reports - http://apps.fas.usda.gov/export-sales/myrkaug.htm; 3-yr average

Table 14

Top 5 Importers[1] of U.S. Soybeans

For the week ending 8/16/2018	Total Commitments[2] 2018/19 Next MY	2017/18 Current MY	2016/17 Last MY	% change current MY from last MY	Exports[3] 3-yr avg. 2014-2016
		- 1,000 mt -			- 1,000 mt -
China	1,332	27,922	36,306	(23)	31,881
Mexico	1,695	4,521	3,760	20	3,452
Indonesia	193	2,747	2,438	13	1,987
Japan	193	2,353	2,278	3	2,067
Netherlands	0	2,465	1,959	26	2,098
Top 5 importers	**3,413**	**40,008**	**46,741**	**(14)**	**41,486**
Total US soybean export sales	**12,626**	**58,762**	**60,720**	**(3)**	**52,919**
% of Projected	22%	102%	103%		
Change from prior week[2]	**1,149**	**153**	**(400)**		
Top 5 importers' share of U.S. soybean export sales	27%	68%	77%		**78%**
USDA forecast, August 2018	**56,131**	**57,493**	**59,019**	**97**	

(n) indicates negative number.

[1]Based on FAS Marketing Year Ranking Reports for 2016/17 - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--http://www.fas.usda.gov/esrquery/. The total commitments change (net sales) from prior week could include reivisions from previous week's outstanding sales and/or accumulated sales

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm. (Carryover plus Accumulated Exports)

Table 15

Top 10 Importers[1] of All U.S. Wheat

For the week ending 8/16/2018	Total Commitments[2] 2018/19 Current MY	2017/18 Last MY	% change current MY from last MY	Exports[3] 3-yr avg 2014-2016
	- 1,000 mt -			- 1,000 mt -
Japan	1,040	1,021	2	2,620
Mexico	993	1,560	(36)	2,743
Philippines	1,301	1,318	(1)	2,395
Brazil	104	95	10	862
Nigeria	416	636	(35)	1,254
Korea	673	924	(27)	1,104
China	0	472	(100)	1,623
Taiwan	388	562	(31)	768
Indonesia	220	603	(63)	726
Colombia	156	283	(45)	635
Top 10 importers	**5,291**	**7,473**	(29)	**14,729**
Total US wheat export sales	**8,557**	**11,548**	**(26)**	**22,804**
% of Projected	31%	47%		
Change from prior week[2]	**240**	**386**		
Top 10 importers' share of U.S. wheat export sales	62%	65%		65%
USDA forecast, August 2018	**27,929**	**24,550**	**14**	

(n) indicates negative number.

[1] Based on FAS Marketing Year Ranking Reports for 2016/17 - www.fas.usda.gov; Marketing year = Jun 1 - May 31.

[2] Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--http://www.fas.usda.gov/esrquery/. Total commitments change (net sales) from prior week could include revisions from the previous week's outstanding and/or accumulated sales

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 16

Grain Inspections for Export by U.S. Port Region (1,000 metric tons)

Port Regions	For the Week Ending 08/23/18	Previous Week*	Current Week as % of Previous	2018 YTD*	2017 YTD*	2018 YTD as % of 2017 YTD	Last 4-weeks as % of: Last Year	Last 4-weeks as % of: Prior 3-yr. avg.	2017 Total*
Pacific Northwest									
Wheat	386	407	95	8,475	10,621	80	87	120	14,805
Corn	365	296	123	14,767	9,831	150	194	142	10,928
Soybeans	145	0	n/a	5,938	5,291	112	58	98	13,246
Total	**896**	**703**	**127**	**29,180**	**25,743**	**113**	**109**	**126**	**38,978**
Mississippi Gulf									
Wheat	72	75	96	2,706	3,232	84	89	94	4,198
Corn	725	608	119	23,272	22,027	106	151	122	28,690
Soybeans	576	489	118	15,463	14,842	104	111	111	32,911
Total	**1,373**	**1,172**	**117**	**41,442**	**40,101**	**103**	**127**	**115**	**65,800**
Texas Gulf									
Wheat	8	0	n/a	2,106	4,786	44	13	11	6,354
Corn	0	24	0	535	548	98	85	51	733
Soybeans	2	0	n/a	69	0	n/a	n/a	n/a	292
Total	**10**	**24**	**42**	**2,709**	**5,334**	**51**	**26**	**21**	**7,379**
Interior									
Wheat	38	32	119	982	1,269	77	71	86	1,727
Corn	133	147	91	5,684	5,618	101	102	119	8,758
Soybeans	169	118	144	4,446	3,294	135	149	186	5,508
Total	**341**	**296**	**115**	**11,112**	**10,181**	**109**	**112**	**134**	**15,993**
Great Lakes									
Wheat	9	0	n/a	411	447	92	102	45	711
Corn	0	3	0	324	140	231	88	25	192
Soybeans	56	72	79	445	275	162	187	321	890
Total	**65**	**75**	**87**	**1,180**	**862**	**137**	**142**	**87**	**1,793**
Atlantic									
Wheat	0	0	n/a	67	42	162	17	11	46
Corn	0	0	n/a	67	5	n/a	n/a	0	32
Soybeans	1	5	28	1,381	934	148	978	317	2,001
Total	**1**	**5**	**27**	**1,516**	**980**	**155**	**739**	**198**	**2,079**
U.S. total from ports*									
Wheat	514	514	100	14,747	20,397	72	74	85	27,841
Corn	1,223	1,077	114	44,649	38,168	117	148	121	49,333
Soybeans	949	684	139	27,743	24,636	113	113	125	54,847
Total	**2,686**	**2,275**	**118**	**87,139**	**83,201**	**105**	**115**	**113**	**132,021**

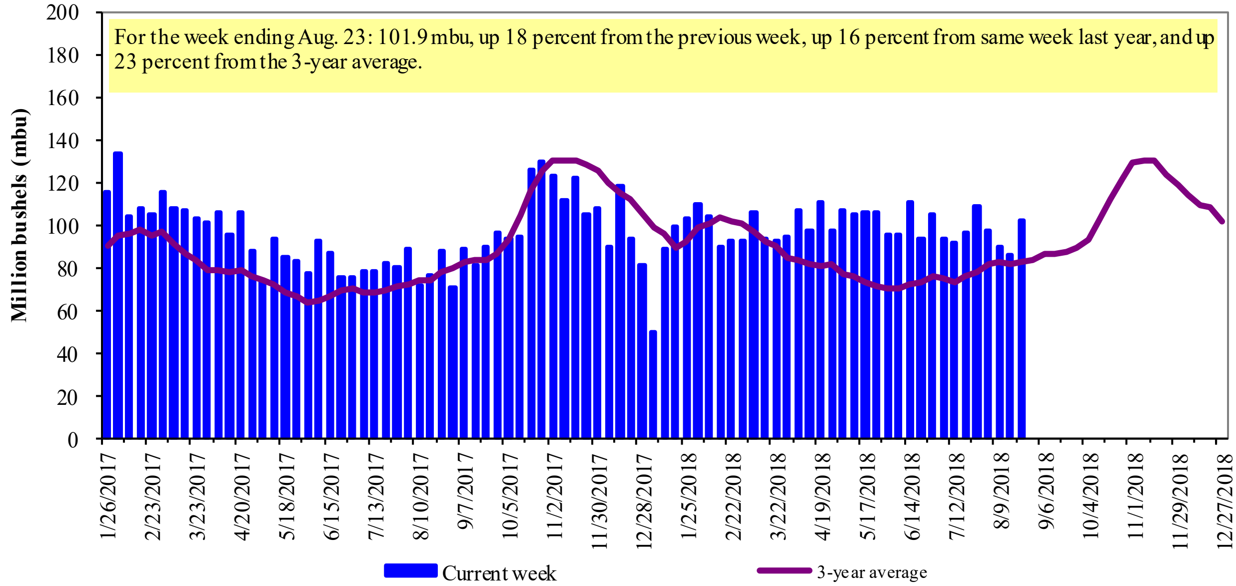
*Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); YTD= year-to-date; n/a = not applicable

The United States exports approximately one-quarter of the grain it produces. On average, this includes nearly 45 percent of U.S.-grown wheat, 50 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 55 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2017.

Figure 14

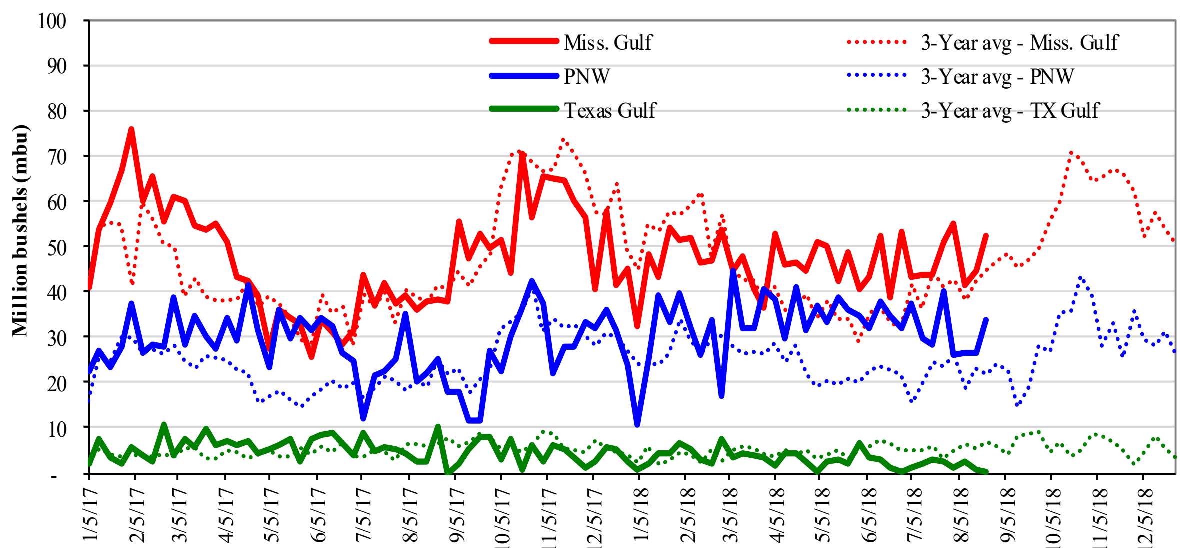
U.S. grain inspected for export (wheat, corn, and soybeans)



Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)
Note: 3-year average consists of 4-week running average

Figure 15

U.S. Grain Inspections: U.S. Gulf and PNW[1] (wheat, corn, and soybeans)



Week ending 08/23/18 inspections (mbu):		Percent change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Mississippi Gulf:	52.3	Last Week:	up 17	down 61	up 16	up 27
PNW:	33.9	Last Year (same week):	up 37	down 96	up 8	up 34
Texas Gulf:	0.4	3-yr avg. (4-wk. mov. Avg):	up 25	down 94	up 10	up 52

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

Ocean Transportation

Table 17

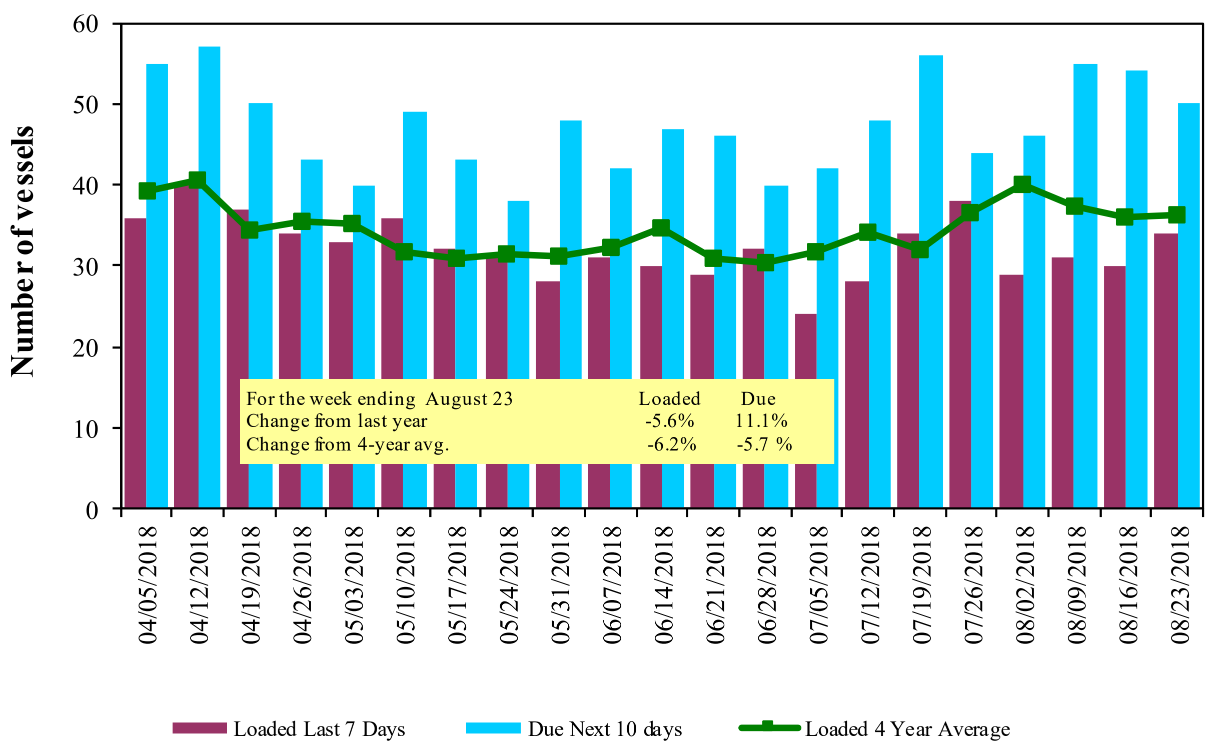
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest
Date	In port	Loaded 7-days	Due next 10-days	In port
8/23/2018	23	34	50	13
8/16/2018	29	30	54	11
2017 range	(25..66)	(28..54)	(37..87)	(5..44)
2017 avg.	46	38	56	20

Source: Transportation & Marketing Programs/AMS/USDA

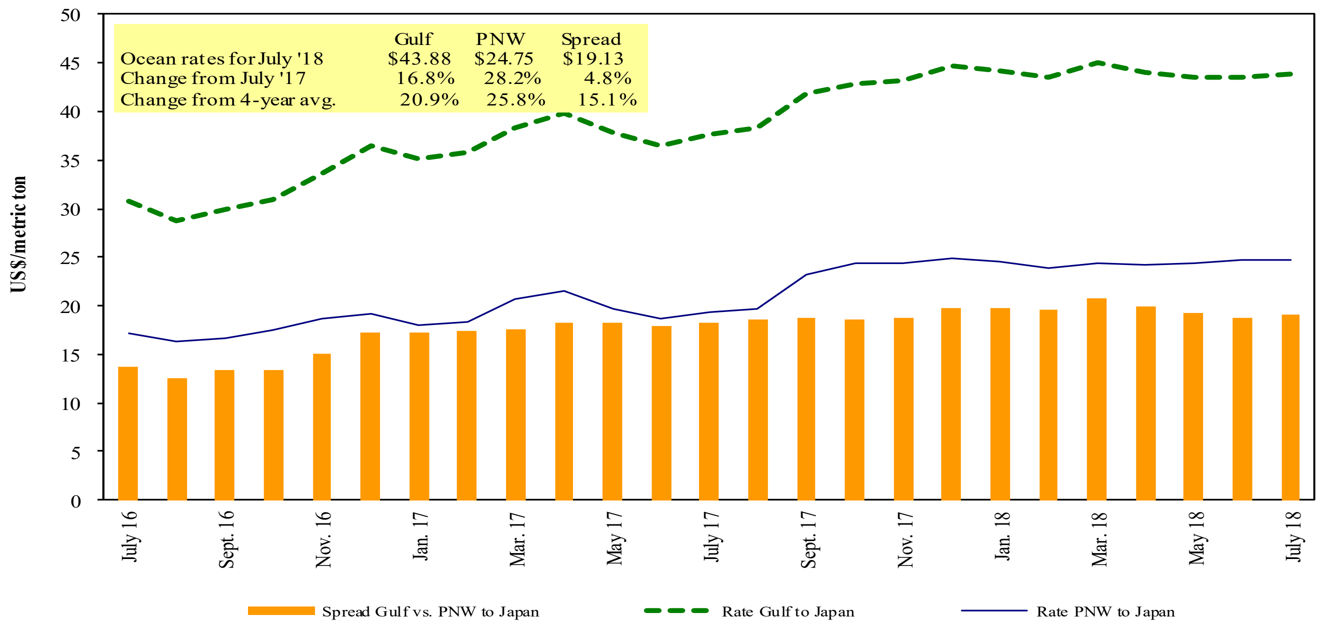
Figure 16

U.S. Gulf Vessel Loading Activity



Source: Transportation & Marketing Programs/AMS/USDA
[1]U.S. Gulf includes Mississippi, Texas, and East Gulf.

Figure 17
Grain Vessel Rates, U.S. to Japan



Data Source: O'Neil Commodity Consulting

Table 18
Ocean Freight Rates For Selected Shipments, Week Ending 08/25/2018

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	Honduras	Soybean Meal	Oct 1/10	12,500	85.00*
U.S. Gulf	Egypt	Heavy Grain	Jun 26/30	60,000	27.75
PNW	Taiwan	Heavy Grain	Sep 15/Oct 31	63,000	25.00
PNW	Yemen	Wheat	Aug 16	34,900	75.50*
PNW	Yemen	Wheat	Jul 26/Aug 9	27,500	83.70*
Brazil	China	Heavy Grain	Sep 10/20	60,000	35.75
Brazil	China	Heavy Grain	Aug 21/30	60,000	36.00
Brazil	China	Heavy Grain	Aug 18/28	60,000	36.00
Brazil	China	Heavy Grain	Jul 18/28	60,000	36.00
Brazil	China	Heavy Grain	Jun 22/30	60,000	35.00
Brazil	China	Heavy Grain	Jun 22/30	60,000	33.75
Brazil	Malaysia	Heavy Grain	Aug 17/24	65,000	31.00

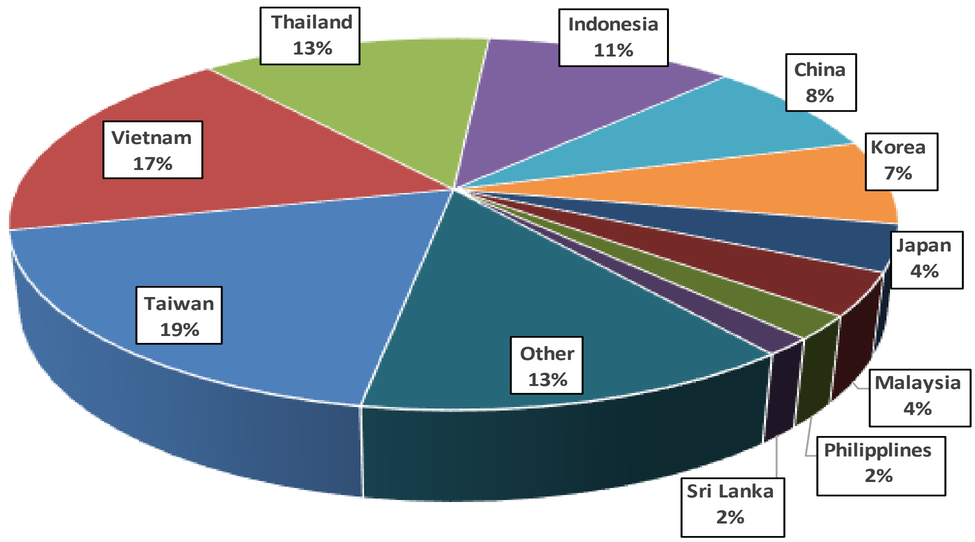
Rates shown are per metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicated; op = option

*50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

Source: Maritime Research Inc. (www.maritime-research.com)

In 2017, containers were used to transport 7 percent of total U.S. waterborne grain exports. Approximately 62 percent of U.S. waterborne grain exports in 2017 went to Asia, of which 10 percent were moved in containers. Approximately 93 percent of U.S. waterborne containerized grain exports were destined for Asia.

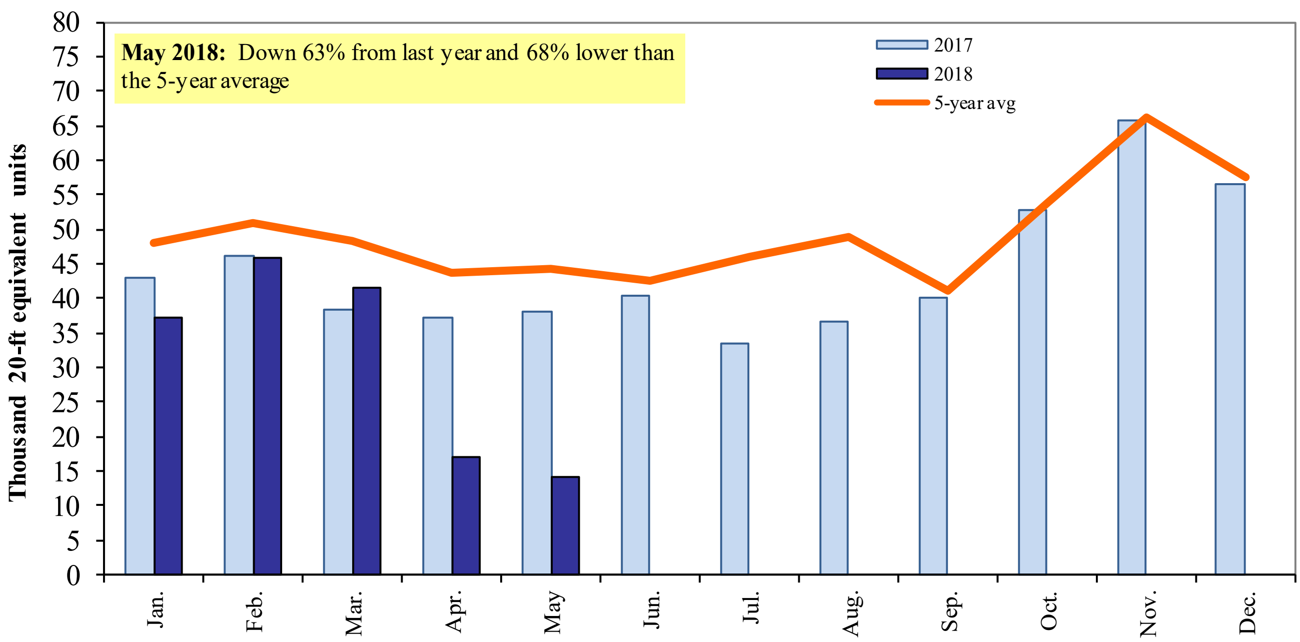
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, January-May 2018



Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

Figure 19
Monthly Shipments of Containerized Grain to Asia



Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data.

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 110220, 110290, 120100, 120810, 230210, 230310, 230330, and 230990.

Contacts and Links

Coordinators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
Pierre Bahizi	pierre.bahizi@ams.usda.gov	(202) 690 - 0992
Adam Sparger	adam.sparger@ams.usda.gov	(202) 205 - 8701
Weekly Highlight Editors		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor	april.taylor@ams.usda.gov	(202) 720 - 7880
Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 690 - 4430
Grain Transportation Indicators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
Rail Transportation		
Adam Sparger	adam.sparger@ams.usda.gov	(202) 205 - 8701
Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Jesse Gastelle	jesse.gastelle@ams.usda.gov	(202) 690 - 1144
Peter Caffarelli	petera.caffarelli@ams.usda.gov	(202) 690 - 3244
Barge Transportation		
Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 690 - 4430
April Taylor	april.taylor@ams.usda.gov	(202) 720 - 7880
Matt Chang	matt.chang@ams.usda.gov	(202) 720 - 0299
Truck Transportation		
April Taylor	april.taylor@ams.usda.gov	(202) 720 - 7880
Grain Exports		
Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Ocean Transportation		
Surajudeen (Deen) Olowolayemo (Freight rates and vessels)	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor (Container movements)	april.taylor@ams.usda.gov	(202) 720 - 7880

Subscription Information: Send relevant information to **GTRContactUs@ams.usda.gov** for an electronic copy *(printed copies are also available upon request)*.

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